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Argentina

Oilseeds and Products

Lock-Up Report

2008

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Report Highlights:

Argentina's soybean harvest has reached about 50 percent. First-crop soybeans are showing signs of good to very good yields. Second-crop soybeans were much more negatively affected by dry conditions throughout the growing season, and reported yields are lower as a result. Post maintains its 2007/08 soybean forecast at 47.5 million tons. This year's sunflower crop, which has now been completely harvested, fared very well and had above average yields for the main sunflower growing regions. Post maintains USDA's forecast for sunflowerseed production at 4.5 million tons on a harvested area of 2.7 million hectares. The truce in the farm strike that disrupted the harvest and export of oilseeds and products in March will end on May 2.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Buenos Aires [AR1]
[AR]

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Soybeans

Argentina's soybean harvest took off in full-force over the past three weeks after the agricultural sector's suspension (on April 2) of their 21-day strike against the Government of Argentina (GOA). The strike was in response to the March 11 introduction of a variable export tax on soybeans, sunflowerseeds, corn, and wheat (see AR8013). The 21-day farm strike seriously disrupted exports of oilseeds and products, but exports have been taking place at a rapid pace since then. The farm organizations are currently negotiating with the GOA, but no agreement is in sight. The farm organizations have set May 2 as the deadline for resuming the strike if there is no agreement.

Post contacts estimate that by the end of this week, around 57 percent of the entire soybean crop will be harvested. Last year, the harvest advance had reached about 50 percent for this time of year.

Post maintains its production forecast for the 2007/08 crop at 47.5 million tons. Post contacts are reporting that yields for first-crop soybeans are good. In the core soybean production area yields are good to very good, and in some cases, reportedly better than last year – which was an excellent year. In those areas that received adequate precipitation, yields are being reported around 3.9 to 4.0 tons per hectare. In those areas more affected by dry weather, yields are averaging 2.0-2.2 tons. Second-crop soybeans, on the other hand, have been negatively affected by dry weather during the growing season. Several producers are reporting lower yields, with indications of up to a 15-percent drop from last year. Lack of water negatively affected the grain fill. Post contacts indicate that Chaco and northern Santa Fe province were also negatively affected by dry weather this growing season. There are some reports of significant losses to some lots as a result.

Last week's frost events had the largest impact on northern Cordoba and northern La Pampa provinces, while southeast Buenos Aires was also affected. Some losses are expected as a result. Post contacts indicate that losses could reach between 10 to 20 percent in the most affected areas. Some contacts indicate that total production losses could reach 200,000 tons.

Sunflowerseed

Post estimates that the sunflower crop is almost completely harvested. Most of the harvest advance occurred before the agricultural strike and, as such, was not slowed by logistical complications -- as was corn and soybeans. As of April 10, only about 10 percent of the southern Buenos Aires crop remained to be harvested.

Post maintains the USDA forecast for total production at 4.5 million tons for 2007/08. Reports indicate that yields were very good this year, exceeding overall averages for the crop in the main producing regions. Favorable growing conditions existed which generated higher yields than in previous years, as well as relatively dry weather during the growing season that kept fungal diseases and other plagues in-check.